

## **Davis-Bacon Payroll Form Completion Instructions**

**NOTE:** Form [WH-347](http://www.dol.gov/whd/forms/wh347.pdf) (PDF) can be found at <http://www.dol.gov/whd/forms/wh347.pdf>

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**Contractor or Subcontractor:** Name of the firm. Check “contractor” or “subcontractor”

**Address:** Contractor’s mailing address (**not** the address of the jobsite)

**Payroll No.:** If this is your first payroll submission to MEA for this project, enter “1”. If this is your second submission – “2”, etc.

**For Week Ending:** Date the work week ended (i.e. 9/24/2010)

**Project and Location:** Type of project, and the address of the jobsite (NOT the firm’s address)

**Project or Contract No.:** MEA Project or Contract number (if any)

**Column 1 - Name and Individual Identifying Number of Worker:** Full name of the worker (i.e. “John Smith”), as well as the last 4 digits of their Social Security number (111-22-3297 would be “3297”).

In this example, the employee would be listed as “John Smith – 3297”.

**Column 2 - No. of Withholding Exemptions:** Number of exemptions being claimed by the employee, found on the employee’s W-4 form. This figure is used to compute “Withholding Tax” (see below)

**Column 3 - Work Classifications:** A description of the work being performed by the employee, using Davis-Bacon terminology (i.e. “Plumber”, “HVAC Pipe Installer”, etc.).

**NOTE: All employees cannot “Laborer”.**

**Column 4 - Hours worked:** In the top of each column, list Date (9/20-9/24) and Day of the Week (Mon-Fri) for each day of the workweek reported. List any overtime hours in the row labeled “O”. List all regular (standard) hours in Row “S”.

**NOTE:** In Maryland, any work over 40 hours per week is considered overtime.

**Column 5 - Total:** Total of all hours listed in the row.

**NOTE:** If using the electronic version of the form (link above), this number will be calculated automatically.

## Column 6 - Rate of Pay (Including Fringe Benefits):

If completing the form manually:

- Overtime rate is 1.5x the Davis-Bacon wage, plus fringe amounts, and entered in the row labeled "O" (e.g. in our example, John Jones would be listed as \$69.13).
- Question:** How was overtime calculated?

Regular Wage	\$ 36.22
Fringe Rate	+ \$ 14.80
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Standard Rate	\$ 51.02
Regular Rate X 1.5 (overtime)	\$ 54.33
PLUS: Fringe Rate	+ \$ 14.80
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Overtime Rate	\$ 69.13

- Fringe Rate is not subject to the overtime calculation (1.5x); the amount is added to the base calculation, as shown above.

**NOTE:** Overtime wages are paid on the **BASE** rate **ONLY**. For example,

- Standard (also: Regular) Rate: two entries are required:
  - First** – enter the Wage rate, found on the *Davis-Bacon Act Wage Determination* form, for the county worked based on the employee's work classification (e.g. John Jones would have an hourly rate of \$23.49).
  - Second** – enter the Fringe amount, found on the *Davis-Bacon Act Wage Determination* form the county worked based on the employee's work classification (e.g. John Jones would have \$14.80 in Fringe Benefits).

If completing the form electronically:

- Overtime rate – as above
- Standard (also: Regular) Rate – as above. Two entry boxes will be listed on the form: In the first, enter the employee's Davis-Bacon rate of pay; in the second, the employee's Fringe pay rate (found on the *Davis-Bacon Act Wage Determination* form).

**Column 7 - Gross Amount Earned:** The sum of Hours Worked (from Column 5) multiplied by the Rate of Pay (Column 6) for both the overtime ("O") and standard ("S" – also called regular) hours reported.

**NOTE:** If an employee worked on more than one project during the period reported, the top number should reflect the earnings from **THIS** job, and the lower number should include all wages for the week.

**Column 8 - Deductions:** List all Deductions found on the employee's weekly paycheck.

**FICA**, is calculated by multiplying the employee's Gross Wages (from Column 7) by 7.65% (in this example, John Jones, earning \$2351.89, would have \$179.92 listed as his FICA deduction).

However, note that for **2011 only**, the employee portion of Social Security is reduced to 4.2% instead of 6.2% (employers still pay the full 6.2% rate.). This [payroll tax holiday](#) was legislated as part of [H.R. 4853](#), *the Tax Relief, Unemployment Insurance Reauthorization and Job Creation Act of 2010*. Starting 2012, the employee-portion of Social Security will revert back to the full 6.2%.

The second column, **Withholding Tax**, is calculated using the formula found at the following website:

<https://interactive.marylandtaxes.com/business/calculators/WHCalc.asp>.

Enter the county and number of exemptions to compute this amount (in our example, John Jones, with Gross Pay of \$2351.89 and 2 exemptions would have \$162.36 in Withholding Tax). This number may already be computed automatically by your payroll software.

The remaining columns would list any other Deductions specific to the employee, including child support, repayment of loans, etc.

**Column 9 - Net Wages Paid for Week:** Gross Wages (Column 7) less any deductions (Column 8). In our example, John Jones would have Net Wages of \$2009.61.

Gross Wages	\$2351.89
Less: FICA	- \$ 179.92
Less: Withholding Tax	- \$ 162.36
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Net Wages	\$2009.61

**NOTE:** The Net Wages must agree to the employee's final paycheck for that week.

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**Statement Required by Regulations:** The person filling out the form on behalf of the company enters their name, name of the company, name of the project as well as the payroll period being submitted. (e.g. in our example, the form is being complete by

Dave Diamond, CEO of ABC Company for the Anne Arundel Space Agency Solar System for the period September 20-24, 2010.)

In the free-form area, enter any information about other monies being deducted (e.g. child support, etc.)

**Payment of fringe benefits:** Contractors must either make payments to approved fringe programs or pay these monies to the employee in the form of cash. The amount of fringe benefits is provided on the Davis Bacon wage rate forms provided to you.

If you **pay the required Davis Bacon Act fringe benefit rate into a bona fide fringe benefit plan** for all workers, check Box **(4)(a)**. It is not necessary to show the amount paid into these plans on the first page in Column (6). It will be necessary to maintain supporting documents for the benefit plan(s), and documents that evidence the contractor's contributions for those plans. MEA compliance reviews will include a review of these documents.

The **"Statement of Compliance"** must be signed by a principal of the firm (owner or an officer such as president, treasurer, or payroll administrator). The signature must always be that of a person who has authority to direct the payment of wages and benefits to the workers. The statement does not need to be notarize the statement (on page 2 of the payroll form); however, the contractor is subject to the penalties provided by 18 U.S.C. § 1001, namely, a fine, possible imprisonment of not more than 5 years, or both. Accordingly, the party signing this statement should have knowledge of the facts represented as true.

*All Payroll Forms are subject to review by MEA. Contractors will be required to correct any errors noted. Should our review determine that an employee was underpaid; the contractor will be required to submit proof that the employee was reimbursed for the amount in question. No payments to contractors shall be made until submissions have been reviewed by MEA or its representatives. Payroll records may be reviewed by MEA or its representatives at any time.*